

# Module 7A Simulation

## **Completing a Tax Return as a Dependent**

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



*In this simulation, you will take on the role of Monica Lindo in order to learn how to complete a tax return as a dependent.*

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



## Module 7A Simulation



You are 20 and single. You live in the United States with your parents, who pay for all of the costs of maintaining the home.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



## Module 7A Simulation



You are a full-time college student because you are enrolled for the number of courses your school considers to be full-time attendance. On the weekend, you work as a registration assistant in the emergency room of the hospital.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



## Module 7A Simulation



Your parents paid for your food, clothing, and tuition during this tax year. You paid for your books and transportation. Your parents cannot be claimed as a dependent on any other person's tax return.

To review your personal information, click ***My Profile*** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

## My Profile

Name: Monica Lindo

Employment: Full-time student, part-time registration assistant in ER

Marital status: Single

Spouse's name (if any): N/A

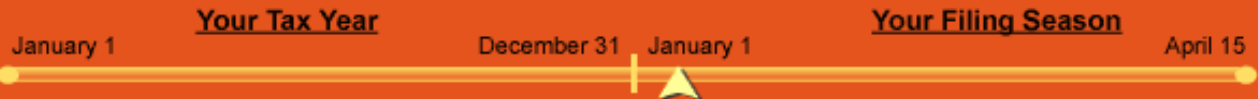
Children: None

U.S. citizen: Yes

Other: You live in the United States with your parents, who pay for all of the costs of maintaining the home. Your parents paid for your food, clothing, and tuition during this tax year. You paid for your books and transportation.



## Module 7A Simulation



It's the end of the tax year. You receive your W-2 from your employer.  
You have earned \$4,821 from your job.


**Note:** Your employer is required to send your W-2 by January 31!

To review your Form W-2, click **My Form W-2** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

		<b>a</b> Employee's social security number		OMB No. 1545-0008		<b>Safe, accurate, FAST! Use</b>				Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> .	
<b>b</b> Employer identification number (EIN) <b>10-5570912</b>				<b>1</b> Wages, tips, other compensation <b>4821.00</b>		<b>2</b> Federal income tax withheld <b>47.00</b>					
				<b>3</b> Social security wages <b>4821.00</b>		<b>4</b> Social security tax withheld					
<b>c</b> Employer's name, address, and ZIP code <b>Anytown Samaritan Emergency 5 Center Circle Anytown, US 10103</b>				<b>5</b> Medicare wages and tips <b>4821.00</b>		<b>6</b> Medicare tax withheld					
				<b>7</b> Social security tips		<b>8</b> Allocated tips					
				<b>9</b> Advance EIC payment		<b>10</b> Dependent care benefits					
<b>d</b> Control number <b>222-00-5463</b>				<b>11</b> Nonqualified plans		<b>12a</b> See instructions for box 12 <small>d c c e</small>					
						<b>12b</b> <small>d c c e</small>					
						<b>12c</b> <small>d c c e</small>					
						<b>12d</b> <small>d c c e</small>					
<b>e</b> Employee's first name and initial      Last name      Suff. <b>Monica L.</b> <b>Lindo</b>  <b>21 Pecan Grove Anytown, US 10103</b>				<b>13</b> Statutory employee      Retirement plan      Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>							
				<b>14</b> Other							
<b>f</b> Employee's address and ZIP code											
<b>15</b> State      Employer's state ID number		<b>16</b> State wages, tips, etc.		<b>17</b> State income tax		<b>18</b> Local wages, tips, etc.		<b>19</b> Local income tax		<b>20</b> Locality name	
<hr style="border-top: 1px dashed black;"/>		<hr style="border-top: 1px dashed black;"/>		<hr style="border-top: 1px dashed black;"/>		<hr style="border-top: 1px dashed black;"/>		<hr style="border-top: 1px dashed black;"/>		<hr style="border-top: 1px dashed black;"/>	

Form **W-2** **Wage and Tax  
Statement**

2007

Department of the Treasury—Internal Revenue Service

**Copy B—To Be Filed With Employee's FEDERAL Tax Return.**  
This information is being furnished to the Internal Revenue Service.



## Module 7A Simulation



You have everything you need to file your taxes. You will be using Form 1040A.

<b>Form 1040A</b> Label (See page 18.)  Use the IRS label. Otherwise, please print or type.  Presidential Election Campaign	Department of the Treasury—Internal Revenue Service <b>U.S. Individual Income Tax Return</b> (99) <b>2007</b>		IRS Use Only—Do not write or staple in this space. OMB No. 1545-0074	
	Your first name and initial		Last name	
	If a joint return, spouse's first name and initial		Last name	
	Home address (number and street), if you have a P.O. box, see page 18.		Apt. no.	
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 18.		Your social security number : : : Spouse's social security number : : : You must enter your SSN(s) above.	
Checking a box below will not change your tax or refund. Presidential Election Campaign ▶ Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 18) ▶ <input type="checkbox"/> You <input type="checkbox"/> Spouse				
Filing status 1 <input type="checkbox"/> Single 2 <input type="checkbox"/> Married filing jointly (even if only one had income) 4 <input type="checkbox"/> Head of household (with qualifying person). (See page 19.) If the qualifying person is a child but not your dependent,				

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

## Module 7A Simulation



What is your filing status?

- ☐ Single?
- ☐ Married filing joint?
- ☐ Married filing separate?
- ☐ Qualifying widow(er) with dependent child?
- ☐ Head of household (with qualifying person)?

Can you be claimed as a dependent on someone else's tax return?

- ☐ yes   ☐ no

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

## Module 7A Simulation



Use your W-2 to enter your salary on your Form 1040A. Enter your salary exactly as it appears on your W-2.

Enter wages, salary, and tips: \$

4821

Form 1040A U.S. Individual Income Tax Return (99) 2007

Department of the Treasury—Internal Revenue Service

IRS Use Only—Do not write or staple in this space.

OMB No. 1545-0074

**Label** (See page 18.)

**Use the IRS label.** Otherwise, please print or type.

**Label Here**

Your first name and initial Last name

If a joint return, spouse's first name and initial Last name

Home address (number and street). If you have a P.O. box, see page 18. Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 18.

**Presidential Election Campaign** Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 18) ☒ You ☐ Spouse

**Filing status** Check only one box.

1 ☐ Single

2 ☐ Married filing jointly (even if only one had income)

3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶

4 ☐ Head of household (with qualifying person). (See page 19.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

5 ☐ Qualifying widow(er) with dependent child (see page 20)

**Exemptions**

6a ☐ Yourself. If someone can claim you as a dependent, do not check box 6a.

b ☐ Spouse

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 21)
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

If more than six dependents, see page 21.

Boxes checked on 6a and 6b

No. of children on 6c who:

- ☒ lived with you
- ☐ did not live with you due to divorce or separation (see page 22)

Dependents on 6c not entered above

Add numbers on lines above ▶ ☐

d Total number of exemptions claimed.

**Income**

Attach Form(s) W-2 here. Also attach Form(s) 1099-R if tax was withheld.

If you did not

7 Wages, salaries, tips, etc. Attach Form(s) W-2. 7

8a Taxable interest. Attach Schedule 1 if required. 8a

b Tax-exempt interest. Do not include on line 8a. 8b

9a Ordinary dividends. Attach Schedule 1 if required. 9a

b Qualified dividends (see page 25). 9b

10 Capital gain distributions (see page 25). 10

11a IRA 11b Taxable amount

**Hint:** See Box 1 on your Form W-2.

## Module 7A Simulation



Use your Form W-2 to enter your federal tax withheld on your 1040A.

Enter your tax withheld exactly as it appears on your W-2.

Enter federal tax withheld: \$

47

Form 1040A (2007) Page 2

<b>Tax, credits, and payments</b>	<b>22</b> Enter the amount from line 21 (adjusted gross income).	<b>22</b>	
	<b>23a</b> Check <input type="checkbox"/> You were born before January 2, 1943, <input type="checkbox"/> Blind <input type="checkbox"/> Spouse was born before January 2, 1943, <input type="checkbox"/> Blind Total boxes checked <b>23a</b>		
	<b>b</b> If you are married filing separately and your spouse itemizes deductions, see page 32 and check here <b>23b</b>		
<b>Standard Deduction for—</b> • People who checked any box on line 23a or 23b or who can be claimed as a dependent, see page 32. • All others: Single or Married filing separately, \$5,350 Married filing jointly or Qualifying widow(er), \$10,700 Head of household, \$7,850	<b>24</b> Enter your <b>standard deduction</b> (see left margin).	<b>24</b>	
	<b>25</b> Subtract line 24 from line 22. If line 24 is more than line 22, enter -0-.	<b>25</b>	
	<b>26</b> If line 22 is \$117,300 or less, multiply \$3,400 by the total number of exemptions claimed on line 6d. If line 22 is over \$117,300, see the worksheet on page 32.	<b>26</b>	
	<b>27</b> Subtract line 26 from line 25. If line 26 is more than line 25, enter -0-. This is your <b>taxable income</b> .	<b>27</b>	
	<b>28</b> <b>Tax</b> , including any alternative minimum tax (see page 32).	<b>28</b>	
	<b>29</b> Credit for child and dependent care expenses. Attach Schedule 2.	<b>29</b>	
	<b>30</b> Credit for the elderly or the disabled. Attach Schedule 3.	<b>30</b>	
	<b>31</b> Education credits. Attach Form 8863.	<b>31</b>	
	<b>32</b> Child tax credit (see page 37). Attach Form 8901 if required.	<b>32</b>	
	<b>33</b> Retirement savings contributions credit. Attach Form 8880.	<b>33</b>	
	<b>34</b> Add lines 29 through 33. These are your <b>total credits</b> .	<b>34</b>	
	<b>35</b> Subtract line 34 from line 28. If line 34 is more than line 28, enter -0-.	<b>35</b>	
	<b>36</b> Advance earned income credit payments from Form(s) W-2, box 9.	<b>36</b>	
	<b>37</b> Add lines 35 and 36. This is your <b>total tax</b> .	<b>37</b>	
	<b>38</b> Federal income tax withheld from Forms W-2 and 1099.	<b>38</b>	
	<b>39</b> 2007 estimated tax payments and amount applied from 2006 return.	<b>39</b>	
<b>If you have a qualifying child, attach Schedule</b>	<b>40a</b> <b>Earned income credit (EIC)</b> .	<b>40a</b>	
	<b>b</b> Nontaxable combat pay election. <b>40b</b>	<b>40b</b>	

**Hint:** See Box 2 on your Form W-2.

## Module 7A Simulation



Since you have no other sources of income, you have completed your tax return. All that's left to do is review your return.

To review your return, click ***My Tax Form*** below.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Tax Form**

**1040A****U.S. Individual Income Tax Return**

(99)

**2007**

IRS Use Only—Do not write or staple in this space.

**Label**

(See page 18.)

**Use the IRS label.**

Otherwise, please print or type.

**Presidential****Election Campaign**

Your first name and initial

**Monica L.**

Last name

**Lindo**

If a joint return, spouse's first name and initial

Last name

Home address (number and street). If you have a P.O. box, see page 18.

**21 Pecan Grove**

Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, see page 18.

**Anytown, US 10103**

OMB No. 1545-0074

**Your social security number****222 00 5463****Spouse's social security number**

▲ You must enter your SSN(s) above. ▲

Checking a box below will not change your tax or refund.

**Filing status**

Check only one box.

**1** ☒

Single

**2** ☐

Married filing jointly (even if only one had income)

**3** ☐

Married filing separately. Enter spouse's SSN above and full name here. ▶

**4** ☐

Head of household (with qualifying person). (See page 19.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶

**5** ☐

Qualifying widow(er) with dependent child (see page 20)

**Exemptions****6a** ☐

Yourself. If someone can claim you as a dependent, do not check box 6a.

**b** ☐

Spouse

**c Dependents:**

(1) First name

Last name

(2) Dependent's social security number

(3) Dependent's relationship to you

(4) ☒ If qualifying child for child tax credit (see page 21)

If more than six dependents, see page 21.

Boxes checked on 6a and 6b **0**

No. of children on 6c who:

• lived with you

• did not live with you due to divorce or separation (see page 22)

Dependents on 6c not entered above

Add numbers on lines above ▶ **0****d** Total number of exemptions claimed.**Income****Attach Form(s) W-2 here. Also attach Form(s) 1099-R if tax was withheld.**

If you did not get a W-2, see page 24.

Enclose, but do not attach, any payment.

**7** Wages, salaries, tips, etc. Attach Form(s) W-2.**7****4821****00****8a** Taxable interest. Attach Schedule 1 if required.**8a****b** Tax-exempt interest. Do not include on line 8a.**8b****9a** Ordinary dividends. Attach Schedule 1 if required.**9a****b** Qualified dividends (see page 25).**9b****10** Capital gain distributions (see page 25).**10****11a** IRA distributions.**11a****11b** Taxable amount (see page 25).**11b****12a** Pensions and annuities.**12a****12b** Taxable amount (see page 26).**12b****13** Unemployment compensation and Alaska Permanent Fund dividends.**13****14a** Social security benefits.**14a****14b** Taxable amount (see page 28).**14b****15** Add lines 7 through 14b (far right column). This is your **total income**.**15****4821****00****Adjusted gross income****16** Educator expenses (see page 28).**16****17** IRA deduction (see page 28).**17****18** Student loan interest deduction (see page 31).**18****19** Tuition and fees deduction. Attach Form 8917.**19****20** Add lines 16 through 19. These are your **total adjustments**.**20****21** Subtract line 20 from line 15. This is your **adjusted gross income**.**21****4821****00**



**Tax, credits, and payments****Standard Deduction for—**

• People who checked any box on line 23a or 23b or who can be claimed as a dependent, see page 32.

• All others:  
Single or Married filing separately, \$5,350

Married filing jointly or Qualifying widow(er), \$10,700

Head of household, \$7,850

If you have a qualifying child, attach Schedule EIC.

**Refund**

Direct deposit? See page 53 and fill in 44b, 44c, and 44d or Form 8888.

**Amount you owe****Third party designee****Sign here**

Joint return? See page 18. Keep a copy for your records.

**Paid preparer's use only**

<b>22</b>	Enter the amount from line 21 (adjusted gross income).	<b>22</b>	<b>4821</b>	<b>00</b>
<b>23a</b>	Check <input type="checkbox"/> You were born before January 2, 1943, <input type="checkbox"/> Blind <input type="checkbox"/> Spouse was born before January 2, 1943, <input type="checkbox"/> Blind <b>Total boxes checked ▶</b>	<b>23a</b>		
<b>b</b>	If you are married filing separately and your spouse itemizes deductions, see page 32 and check here ▶	<b>23b</b>		
<b>24</b>	Enter your <b>standard deduction</b> (see left margin).	<b>24</b>	<b>5350</b>	<b>00</b>
<b>25</b>	Subtract line 24 from line 22. If line 24 is more than line 22, enter -0-.	<b>25</b>		
<b>26</b>	If line 22 is \$117,300 or less, multiply \$3,400 by the total number of exemptions claimed on line 6d. If line 22 is over \$117,300, see the worksheet on page 32.	<b>26</b>		
<b>27</b>	Subtract line 26 from line 25. If line 26 is more than line 25, enter -0-. This is your <b>taxable income</b> .	<b>27</b>		
<b>28</b>	<b>Tax</b> , including any alternative minimum tax (see page 32).	<b>28</b>		
<b>29</b>	Credit for child and dependent care expenses. Attach Schedule 2.	<b>29</b>		
<b>30</b>	Credit for the elderly or the disabled. Attach Schedule 3.	<b>30</b>		
<b>31</b>	Education credits. Attach Form 8863.	<b>31</b>		
<b>32</b>	Child tax credit (see page 37). Attach Form 8901 if required.	<b>32</b>		
<b>33</b>	Retirement savings contributions credit. Attach Form 8880.	<b>33</b>		
<b>34</b>	Add lines 29 through 33. These are your <b>total credits</b> .	<b>34</b>		
<b>35</b>	Subtract line 34 from line 28. If line 34 is more than line 28, enter -0-.	<b>35</b>		
<b>36</b>	Advance earned income credit payments from Form(s) W-2, box 9.	<b>36</b>		
<b>37</b>	Add lines 35 and 36. This is your <b>total tax</b> .	<b>37</b>	<b>0</b>	<b>00</b>
<b>38</b>	Federal income tax withheld from Forms W-2 and 1099.	<b>38</b>	<b>47</b>	<b>00</b>
<b>39</b>	2007 estimated tax payments and amount applied from 2006 return.	<b>39</b>		
<b>40a</b>	<b>Earned income credit (EIC)</b> .	<b>40a</b>		
<b>b</b>	Nontaxable combat pay election.	<b>40b</b>		
<b>41</b>	Additional child tax credit. Attach Form 8812.	<b>41</b>		
<b>42</b>	Add lines 38, 39, 40a, and 41. These are your <b>total payments</b> .	<b>42</b>	<b>47</b>	<b>00</b>
<b>43</b>	If line 42 is more than line 37, subtract line 37 from line 42. This is the amount you <b>overpaid</b> .	<b>43</b>	<b>47</b>	<b>00</b>
<b>44a</b>	Amount of line 43 you want <b>refunded to you</b> . If Form 8888 is attached, check here ▶ <input type="checkbox"/>	<b>44a</b>	<b>47</b>	<b>00</b>
<b>b</b>	Routing number <input type="text"/> ▶ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
<b>d</b>	Account number <input type="text"/>			
<b>45</b>	Amount of line 43 you want <b>applied to your 2008 estimated tax</b> .	<b>45</b>		
<b>46</b>	<b>Amount you owe</b> . Subtract line 42 from line 37. For details on how to pay, see page 54.	<b>46</b>		
<b>47</b>	Estimated tax penalty (see page 54).	<b>47</b>		
Do you want to allow another person to discuss this return with the IRS (see page 55)? <input type="checkbox"/> <b>Yes</b> . Complete the following. <input type="checkbox"/> <b>No</b>				
Designee's name ▶		Phone no. ▶ ( )	Personal identification number (PIN) ▶ <input type="text"/>	
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.				
Your signature		Date	Your occupation	Daytime phone number ( )
Spouse's signature. If a joint return, <b>both</b> must sign.		Date	Spouse's occupation	
Preparer's signature ▶		Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code ▶		EIN		
		Phone no. ( )		



## Module 7A Simulation



Based on your completed tax return, how many exemptions are you claiming?

Enter exemptions:

**Hint:** See Line 6d on Form 1040A.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

My Profile

My Form W-2

My Tax Form



## Module 7A Simulation



Not quite. Line 6d shows that you claim no (zero) exemptions because your parents can claim you as a dependent on their tax return. What is your standard deduction? Enter your standard deduction exactly as it appears on your 1040A.

Enter standard deduction: \$

**Hint:** See Line 24 on Form 1040A.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

My Profile

My Form W-2

My Tax Form

## Module 7A Simulation



Not quite. Line 24 shows that your standard deduction is \$5350.00. What is your total tax? Enter your tax exactly as it appears on your tax form.

Enter total tax:

\$

**Hint:** See Line 37 on Form 1040A.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

**My Profile**

**My Form W-2**

**My Tax Form**

## Module 7A Simulation



Not quite. Line 37 shows that your total tax is \$0.00. Are you getting a refund or do you owe more tax?

- ☐ Refund
- ☐ Owe more taxes

**Hint:** See Line 44a on Form 1040A.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

My Profile

My Form W-2

My Tax Form

## Module 7A Simulation



Yes! You are correct. Line 44a on your 1040A shows that your refund is \$47.00.

<i>Federal Tax Withheld (line 38)</i>	<i>\$ 47</i>
<i>Total Tax (line 37)</i>	<i>-0</i>
	<hr/>
<i>Refund (line 44a)</i>	<i>\$ 47</i>

Note that lines 44b, c, and d indicate that your refund will be directly deposited into your checking account.

Now you are ready to e-file your tax return with the IRS. Click the e-file button below to continue.



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

My Profile

My Form W-2

My Tax Form



*If you were actually filing your taxes online, the last step would be signing the return. You can submit your signature by actually signing Form 8453 and sending it to the IRS, or by using Self-Select PIN (Personal Identification Number) if you are eligible.*

*The Self-Select PIN is made up of any five numbers (except all zeros) that you choose to enter as your electronic signature. You select your PIN by providing your adjusted gross income from your previous year's tax return and your date of birth for verification purposes. Depending on the version of the software you are using, you may be asked to provide your date of birth in addition to your adjusted gross income.*

*Signing your return using Self-Select PIN is the simplest and fastest way to submit your signature. You do not need to mail in a paper signature, and you receive an immediate acknowledgement that your tax return was received.*

*Learn more about self-selecting a PIN by visiting the [IRS Web site](#).*

*Now click the forward arrow below to finish filing Monica's return.*

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

My Profile

My Form W-2

My Tax Form



Congratulations, Monica! You've successfully filed your return by the filing deadline.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19

